

**From:** Jennings, Jannine  
**Sent:** Monday, March 03, 2014 11:45 AM  
**To:** Rochlin, Kevin  
**Subject:** FW: EMF Cooperative Agreements -- need for discussion on budget details  
  
**Categories:** Lepic 2/22 to 3/7

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**From:** Kelly Wright [mailto:kwright@sbtribes.com]  
**Sent:** Tuesday, February 18, 2014 10:51 AM  
**To:** Jennings, Jannine  
**Cc:** Rochlin, Kevin; Sheldrake, Beth  
**Subject:** RE: EMF Cooperative Agreements -- need for discussion on budget details

Here is a copy of one of the consultants that the Tribes generally use. It's North Wind Environmental and I have attached their approved GSA rates which are considerably higher.

[https://www.gsaadvantage.gov/ref\\_text/GS10F0247L/0JOP7H.2C80AO\\_GS-10F-0247L\\_NORTHWINDINCGSASCHEDULE081711.PDF](https://www.gsaadvantage.gov/ref_text/GS10F0247L/0JOP7H.2C80AO_GS-10F-0247L_NORTHWINDINCGSASCHEDULE081711.PDF)

Here is the justification as to why the Program is electing to purchase a vehicle rather than renting. We also understand this would be a one-time shot and this cost would be removed in following years. Only costs would become operation and maintenance costs.

Historical, the Tribes have rented a vehicle internally from the Tribes because at that time, we were not allowed to purchase vehicles. We rented the same vehicle under a three year contract and was paying \$1300 per month. We re-entered into another three contract with this same vehicle at \$1100 per month. Tribes would not allow the Program to purchase a vehicle because they thought that we could only rent. Doing some reviewing of the regulations, the federal government does allow for purchases as long as both sides understand the fact that no more monthly rentals can be requested from future resources since they assisted with purchasing one to begin with.

Program evaluated the need for another vehicle whether we purchased or rented it. Based on the historical costs associated with renting and never being able to decrease costs over time, the Program decided the best interest for all was to purchase a new vehicle so resources could be wisely spent in other areas rather than rental.

As for the cost analysis, here is what I did for that. I estimated the cost to be \$40,000 then broke the cost down into two components. One with tribal resources identified (56%) and the other coming from EPA grants (44%). EPA resources being identified were: Brownfields Response Grant; UST DITCA; Simplot and FMC Cooperative Agreements. The EWMP used the concept that the vehicle would be left in the possession of the Tribes so 56% would be contributed to us. We decided that 44% would be what EPA would be the amount requested. This resulted in \$17,700 being requested through EPA and the remaining \$22,300 would be out of our internal Tribal resources.

From here, it was determined that the majority if the costs would be associated with the Response Grant so 60% of the cost was associated to this grant which resulted in \$10,500. The UST DITCA involves more mileage and monthly site visits across the Reservation so we used 28% which calculated out to be \$5,000. We considered the fact that the Off-Site component did not have much activity scheduled and costs would be divided by the two principle responsible parties, the remaining cost would be divided equally between the Simplot Cooperative Agreement and the FMC Cooperative Agreement. Therefore, \$2,200 was the remaining resources needed so \$1,100 is what we asked for.

If the vehicle is significantly less than the estimated purchase of a new 4 wheel drive crew cab vehicle. Our existing vehicle is a 1997 Chevy owned by the Program and is starting to develop some mechanical issues. Eventually, the Program will retire this

vehicle so that resources are not being wasted.

Let me know if you need additional details for our calculated costs.

Thanks

Kelly

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**From:** Jennings, Jannine [<mailto:Jennings.Jannine@epa.gov>]

**Sent:** Thursday, February 13, 2014 12:23 PM

**To:** Kelly Wright

**Cc:** Rochlin, Kevin; Sheldrake, Beth

**Subject:** EMF Cooperative Agreements -- need for discussion on budget details

Kelly

- A. Upon review of your EMF Cooperative Agreement applications, the grants office has asked Kevin and I some questions for which we'll need to supply a response. The good thing is that we can likely meet their request by talking to you and us supplying them the information in an email (i.e. you likely don't have to submit anything further – with the exception of the equipment justification already discussed). However, **to move the application forward, we need to set up a call with you.**

**Following are start times that work for Kevin and myself.** (times are in Idaho time)

Today, Thursday Feb 13 -- 12:30, 3:00-4:30

Tuesday Feb 18 -- 10:00 -12:00, 3:00-4:30

Wednesday Feb 19 -- 10:00 – 1:30, 3:30-4:30

**Please let us know what time will work for you.**

The sooner we can schedule the call, the sooner we can provide the requested info to the grants office and they can proceed with processing your award.

- B. During the call we would like to confirm the following information:

1. The staff being funded by the award(s) and their rate of pay.
2. The functions of the contractor to be funded by the award.
3. The Fringe rate (%) used to calculate fringe benefits
4. Expected travel to be funded by award.
5. The type of supplies expected to be purchased under “supplies” (e.g. office supplies)
6. Indirect charge rate (%) used to calculate budget
7. Method used to calculate amount for light refreshments (e.g. last year's expense)

- C. As noted previously, to fund equipment, additional information will need to be provided. We will need to understand how the cost was derived, why it is more economical to purchase rather than lease, and with whom the expenses will be shared (specifically identifying other EPA grants that will share in the expense).

- D. We have also been informed that our grant regulations include several limitations that apply to contractual costs eligible for reimbursement under an award agreement. The following standard condition is likely to be included in your award (highlight added):

## 21. Payment to Consultants

EPA participation in the salary rate (excluding overhead) paid to individual consultants retained by recipients or by a recipient's contractors or subcontractors shall be limited to the maximum daily rate for Level IV of the Executive Schedule (formerly GS-18), to be adjusted annually. This limit applies to consultation services of designated individuals with specialized skills who are paid at a daily or hourly rate. This rate does not include transportation and subsistence costs for travel performed (the recipient will pay these in accordance with their normal travel reimbursement practices).

Subagreements with firms for services which are awarded using the procurement requirements in 40 CFR Parts 30 or 31, are not affected by this limitation unless the terms of the contract provide the recipient with responsibility for the selection, direction, and control of the individuals who will be providing services under the contract at an hourly or daily rate of compensation. See 40 CFR 30.27(b) or 40 CFR 31.36(j), as applicable, for additional information.

As of January 1, 2014, the limit is \$602.24 per day \$75.28 per hour.

**NOTE:** For future years' limits, the recipient may find the annual salary for Level IV of the Executive Schedule on the following Internet site: <http://www.opm.gov/oca>. Select "Salary and Wages", and select "Rates of Pay for the Executive Schedule". The annual salary is divided by 2087 hours to determine the maximum hourly rate, which is then multiplied by 8 to determine the maximum daily rate.

I note that an hourly rate for your contractor identified as \$87.50. As this is in excess of the amount identified in the condition above, reimbursement could be limited unless additional documentation is provided that indicates the salary rate charged by the contractor is not more than the amount noted.

I look forward to your response as to when we can talk so that we can keep the agreement moving forward. Thank you, in advance, for your assistance with documenting the details requested by our grants office.

Jannine

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